



NEWS RELEASE

CALIFORNIA STATE TREASURER PHILIP ANGELIDES

FOR IMMEDIATE RELEASE
June 7, 2000

CONTACT: Glenn Brank
(916) 653-2995

TEACHERS' RETIREMENT FUND DROPS \$237 MILLION IN TOBACCO STOCKS AT URGING OF TREASURER ANGELIDES

State Treasurer Philip Angelides today applauded the California State Teachers' Retirement System (CalSTRS) Investment Committee, on which he sits as a member, for removing more than \$237 million in tobacco holdings from its investment portfolio. Today's decision comes after six months of financial analysis and deliberations by CalSTRS.

"I commend my fellow board members for this precedent-setting action today," said Angelides. "It was the right thing to do from a financial standpoint and also the right thing to do given the ill effects of tobacco on California."

In 1999, performance of the tobacco industry had a marked impact on CalSTRS—resulting in estimated losses of over \$200 million.

Back in December, Treasurer Angelides placed a moratorium on tobacco investments by the State's investment portfolio. He also asked CalSTRS to adopt a tobacco free index for stock investments to better protect taxpayers and pensioners' funds from tobacco industry losses and the unprecedented threat of legal and regulatory action faced by the industry.

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